

Program A: Injured Workers Benefit Protection Program

Program Authorization: Sections 1310.1, 1310.3 b(1) and 1310.6 of the Worker's Compensation Act; LA R.S. 23:1291 B (9), (10), (11) and (12); LA R.S. 23:1291 B (4), (13), C (2) and (5); LA R.S. 23:1034.2, LA 23:1121-1123-1123, LA R.S. 23:1208.1, LA R.S. 23:1295, LA R.S. 23:1168-1172.2, LA R.S. 39:1543

Program Description

The mission of the Injured Workers' Benefit Protection Program is to establish standards of payment as well as utilization and review procedures of injured worker claims; receive, process, hear and resolve legal actions on compliance to state statutes. It is also the mission of this program to educate and influence employers and employees to adopt comprehensive safety and health policies, practices and procedures; and collect fees.

The goals of the Injured Workers' Benefit Protection Program are:

1. Administer a financially sound program to meet current and future claim obligations.
2. Control medical costs.
3. Maximize the quality of care received by workers injured on the job.
4. Administer the resolution of workers' compensation disputes in an efficient, timely, and impartial manner.

The Injured Workers' Benefit Protection Program includes the following activities: mediation and adjudication of all workers' compensation disputes; collection of statistical data on compensable occupational injuries and illnesses; determination of minimum and maximum allowable levels of compensation; development and implementation of medical utilization review procedures; development, implementation and administration of loss prevention safety and health programs; assistance to Louisiana employers with programs pursuant to code of federal regulations (OSHA Consultation); and administration of the Louisiana Cost Containment Program.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2001-2002	ACT 13 2002-2003	EXISTING 2002-2003	CONTINUATION 2003-2004	RECOMMENDED 2003-2004	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	10,218,645	9,424,846	9,424,846	10,429,926	10,518,050	1,093,204
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	650,879	719,478	719,478	683,458	764,689	45,211
TOTAL MEANS OF FINANCING	\$10,869,524	\$10,144,324	\$10,144,324	\$11,113,384	\$11,282,739	\$1,138,415
EXPENDITURES & REQUEST:						
Salaries	\$4,791,566	\$4,385,465	\$4,385,465	\$4,515,602	\$4,458,069	\$72,604
Other Compensation	175,609	258,360	258,360	258,360	258,360	0
Related Benefits	1,041,356	809,043	809,043	1,243,988	1,064,940	255,897
Total Operating Expenses	1,952,310	1,899,615	1,831,614	1,850,031	1,877,830	46,216
Professional Services	761,541	700,000	530,000	616,661	616,661	86,661
Total Other Charges	1,596,296	1,763,528	1,933,528	2,628,742	2,610,566	677,038
Total Acq. & Major Repairs	550,846	328,313	396,314	0	396,313	(1)
TOTAL EXPENDITURES AND REQUEST	\$10,869,524	\$10,144,324	\$10,144,324	\$11,113,384	\$11,282,739	\$1,138,415
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	151	135	135	135	135	0
Unclassified	1	1	1	1	1	0
TOTAL	152	136	136	136	136	0

SOURCE OF FUNDING

This program is funded with Statutory Dedications and Federal Funds. The Statutory Dedications are derived from the Worker Compensation Fund. (R.S. 39:32B. (8). The Worker Compensation Fund receives revenues from an assessment on all insurance companies and self-insurer's writing worker's compensation insurance in Louisiana. Such assessments are a percentage of the amount reported in the annual reports. Per R.S. 39:36B.(8), see table below for listing of expenditures out of each Statutory Dedicated fund.) The Federal Funds are derives from an Occupational Safe Administration (OSHA) statistical grant. This grant requires a 10% match from the Worker's Compensation Fund.

	ACTUAL	ACT 13	EXISTING	CONTINUATION	RECOMMENDED	OVER/(UNDER)
	2001-2002	2002-2003	2002-2003	2003-2004	2003-2004	EXISTING
Office of Worker's Compensation Administration Fund	\$9,430,645	\$9,424,846	\$9,424,846	\$10,429,926	\$10,518,050	\$1,093,204
Louisiana Worker's Compensation 2nd Injury Board Fund	\$0	\$0	\$0	\$0	\$0	\$0
Director of Worker's Compensation Revolving Fund	\$788,000	\$0	\$0	\$0	\$0	\$0

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$10,144,324	136	ACT 13 FISCAL YEAR 2002-2003
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$0	\$10,144,324	136	EXISTING OPERATING BUDGET - December 2, 2002
\$0	\$86,543	0	Annualization of FY 2002-2003 Classified State Employees Merit Increase
\$0	\$64,156	0	Classified State Employees Merit Increases for FY 2003-2004
\$0	\$6,805	0	Risk Management Adjustment
\$0	\$396,313	0	Acquisitions & Major Repairs
\$0	(\$396,314)	0	Non-Recurring Acquisitions & Major Repairs
\$0	\$1,671	0	Rent in State-Owned Buildings
\$0	\$7,509	0	UPS Fees
\$0	\$69,044	0	Group Insurance Adjustment
\$0	\$22	0	Civil Service Fees
\$0	\$868,989	0	Other Adjustments - This increase in funding is due to added cost for Administrative, Services and Training (AS&T). The increased cost is due to additional personnel charging time from the Office of Workforce Development (474); increase in salaries of this personnel based on an approved job study by civil service. Also, the cost has gone up due to personnel charging time to the wrong expenditure categories. This cost covers sections such as audit, security, fiscal and maintenance.
\$0	\$33,677	0	Other Adjustments - This adjustment in funding is due to adjusting this programs expenditures to reflect historical spending patterns of this program.
\$0	\$11,282,739	136	TOTAL RECOMMENDED

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$11,282,739	136	BASE EXECUTIVE BUDGET FISCAL YEAR 2003-2004
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$11,282,739	136	GRAND TOTAL RECOMMENDED

PROFESSIONAL SERVICES

\$50,000	Legal Medical-Review of claims for health care rates to insure accuracy and appropriateness
\$201,661	Court Reporters to work with administrative law judges to provide on-site technical assistance in establishing rehabilitation review and monitoring system
\$347,000	Bailiffs (off duty sheriff deputies to maintain security in courtroom for Administrative Law Judges in Alexandria, Baton Rouge, Franklinton, Houma, Harvey, Lafayette, Lake Charles, Monroe, New Orleans, and Shreveport districts)
\$10,000	This provides assistance to citizens throughout Louisiana on information which may lead to an arrest and indictment; to receive information relating to workers' comp fraud from anonymous citizens/callers; and to provide cash rewards for information relating to Office of Worker's Compensation Fraud.
\$8,000	This provides for the Occupational Safety Health Administration to install Microsoft Office that includes Word, Access and Excel that interfaces together. This also establishes a standard conversion method for importing National Council of Compensation Insurance data Microsoft Access.
\$616,661	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$0 This program does not have any funding for Other Charges in Fiscal Year 2003 - 2004.

\$0 SUB-TOTAL OTHER CHARGES

Interagency Transfers:

\$234,790	Department of Justice-Legal Services
\$19,099	Department of Civil Service-Document Processing Fee
\$11,905	Division of Administration-Comprehensive Public Training Program (CPTP)
\$84,008	Office of Employment Security-Fraud investigation of Worker's Compensation Claims
\$54,164	Rent in State-owned Buildings
\$2,047,038	Funding will be transferred to the Office of Workforce Development to handle the Administrative Services and Technical indirect cost for the department.
\$73,386	Risk Management Adjustment
\$48,073	Funding will be provided to the Secretary of State for printing, imaging and archiving documents
\$38,103	Legislative Auditor

\$2,610,566 SUB-TOTAL INTERAGENCY TRANSFERS

\$2,610,566 TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

\$396,313 This funding will purchase 27 pc's, 27 printers, 5 servers and 1 optical storage unit.

\$396,313 TOTAL ACQUISITIONS AND MAJOR REPAIRS